



Building Better Customer Connections One Connections



GSA Real Property Asset Management and Capital Investment and Leasing Program





- Overview of GSA
- Real Property Asset Management
- Lease Planning Process
- Capital Planning Process





GSA

We help federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services and management policies.









- Inventory of over 345 million square feet in 8,600 buildings nationwide
- Owned: 1,600 buildings -180+ million square feet
- Leased: 7,000 buildings –
 155+ million square feet
- Serving over 1,000,000 government workers in over 100 federal agencies in 2,000 American communities









 Approximately half the owned inventory is over 50 years old; including 33 National Historic Landmarks

- 110 child care centers in 31 states
- 103 border stations at the Northern & Southern borders
- Over 17,000 works of art in fine arts collection
- 6,000 PBS employees nationwide







GSA Owned and Leased Space in Washington DC Metro Area:

(in millions of square feet) Owned Space	DC 33.1	MD 5.7	VA 3.1	Total 41.9





- •Federal Real Property Asset Management (Executive Order 13327)
- Require agency asset management plans guided by principles of the Federal Real Property Council
- Guiding Principles





GSA Real Property Asset Management

President's Management Agenda (PMA) Scorecard -

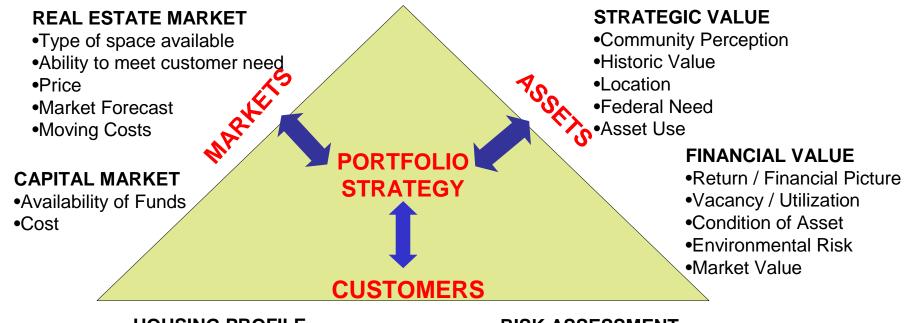


March 31, 2006





Portfolio Strategy: A Balanced Approach



HOUSING PROFILE

- Security Requirements
- Build-out Requirements
- Community Perception

RISK ASSESSMENT

- Budget Constraints
- Political Environment
- Space Trends
- Customer Mission





- GSA Uniquely qualified to navigate complex process
- Good planning results in better real estate solutions
- Together, GSA and Customer Agencies should think strategically about real estate solutions
 - Work together from formulation to funding





Participants in Process

- Federal Agencies
- GSA
- Office of Management & Budget (OMB)
- U.S. Congress ("The Hill")
- Other Stakeholders







Terms & Definitions

- Prospectus
- Authorization
- Appropriation
- Allowance Document
- Requirements Program (POR)
- Housing Plan
- Feasibility Study
- Program Development Study







Capital and Leasing Projects –

- Think Strategically, Not Transactionally
 - ~Strategy for Operations, Human Capital, Technology, Finance, Budgets, Stakeholder Management, Customer/Citizen interactions
- Use Real Estate as a Tool to support Business Strategy
 - ~Business strategy drives space requirements
- Interdependent Relationships/ Unified Approaches
 - ~Successful projects capitalize on the interdependent relationship among all players in the budget process







Customer Business Strategy

Who are you today? Who will you be in the future?

Customer Workplace Solutions

Must be integrated to be effective Technology, Furniture, Fixtures, Equipment, Finishes (FAS)Real Estate (PBS)

Customer Housing Strategy

Real Estate Solutions that support the Business Strategy
Determines the size and type of buildings needed
Determines how many and what type of projects to pursue
Develops a submarket strategy for each workplace





Public Buildings Service (PBS)

- Strategic planning for portfolio investments
- Manages the planning, design & construction process
- Develops Real Estate Solutions, Customer Housing Strategies, Customer Plans
- Assembles annual list of projects for funding (Capital Investment & Leasing Plan - CILP)
- Stakeholder communications (often requires agency participation)
- Implements real property projects and processes





- Executive Office of the President
- Prepares the President's Budget
- Reviews submitted prospectus
- Ensures fiscal responsibility
- Evaluates and recommends projects to be in the President's budget





Congressional Authorizing Role

- Considers funding requests, determines budgets & priorities
- Pass resolutions <u>authorizing</u> appropriation
- Transmit <u>resolutions</u> to Appropriations Committee
- Committees having <u>jurisdiction</u> over GSA's building program are:
 - -Senate: Committee on Environment & Public Works
 - –House: Committee on Transportation & Infrastructure





Congressional Funding Role:

- Receives resolutions from Committees
- Assembles annual appropriations bill
- GSA projects are funded by the following Subcommittee(s) on Appropriations:
 - Senate: Transportation, Treasury, the Judiciary,
 Housing & Urban Development, and Related Agencies
 - House: Transportation, Treasury, Housing & Urban Development, The Judiciary, The District of Columbia & Independent Agencies





- National Historic Preservation Act (NHPA) Section 106
 - State Historic Preservation Officer (SHPO)
 - Advisory Council for Historic Preservation (ACHP)
- Regional Authorities
 - National Capital Planning Commission (NCPC)
 - The Commission of Fine Arts (CFA)
- National Environmental Policy Act (NEPA)
- Environmental Site Assessment (ESA)





- Federal Acquisition Regulation (FAR)
- CICA (Competition in Contracting Act)
- Brooks Act
- Anti-Deficiency Act (money in hand)
- Executive Orders (EO)
- Purchase Priorities
- GSA Policy (Good Neighbor)
- Clinger-Cohen Procurement Efficiency Act





Overview of Planning Process for Major Projects

- Leased Buildings

 (annual net rent greater than \$2.8M for FY08)
- Federally-owned Buildings (cost of construction greater than \$2.8M for FY08)





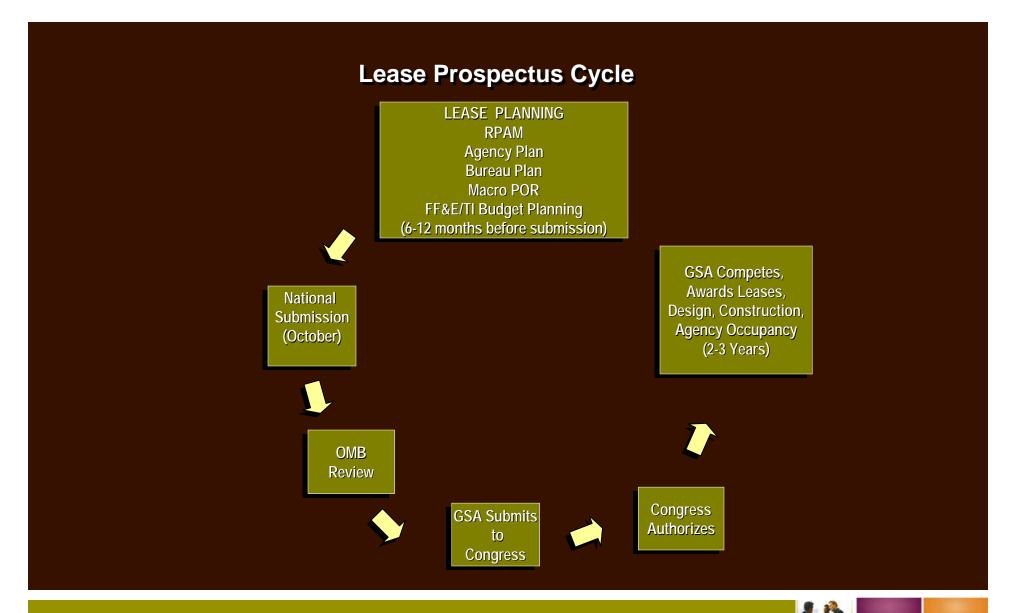
For major lease projects:

- Congressional authorization required over certain threshold
 - \$2.8M for FY08
 - Any lease greater than 60-70,000 RSF in DC or 75-100,000 RSF in suburbs
 - Maximum OMB-Allowed Rental Rates
 - \$47in DC; \$35 in VA; \$32 in MD
- Total lease prospectus process is approximately 4 5 years
 - Multiple budgetary and funding cycles are required to plan, authorize, compete, and procure a prospectus-level lease
- Prospectus-level leases require strategic planning from both GSA and agencies





Lease Prospectus Submission & Approval





- Discussion and Justification of Agency's Requirements
- Accurate Housing Plan
- Agency Management + 0MB Approval
- GSA-Agency Agreement on Special Leases
 - Examples: Relocations, New Requirements,
 Consolidations, Early authority





For major capital projects, where construction costs exceed \$2.8M for FY08:

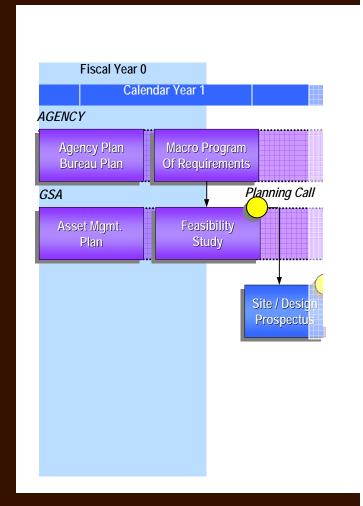
- Total project process is 7 years (Minimum)
- The Federal budgetary & funding cycle typically requires two (2) years
- Multiple budgetary and funding cycles are required to complete a project





Part I - Planning & Needs Definition

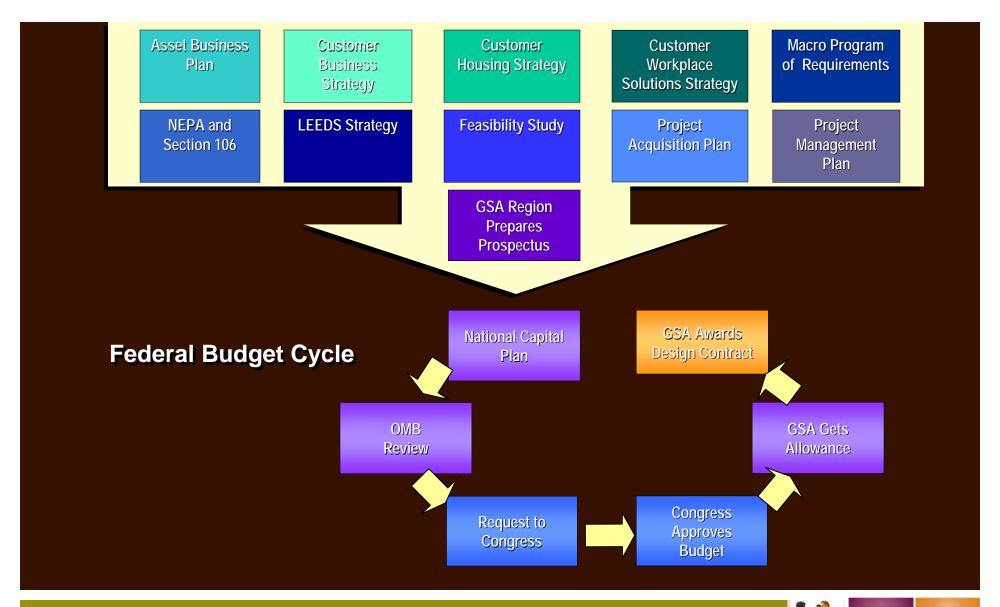
- Complete Real Property Asset Management Evaluations
- Develop logistics plans (how to accomplish the project, funding strategy, phasing, migration plans, LEEDS strategy)
- Determine project scope, estimate, procurement method & construction approach
- Complete Program of Requirements (POR)
- Complete Feasibility Study(s)
- Complete GSA-Agency MOU
- Complete GSA-Agency OA
- Initiate Prospectus
- Initiate NEPA process





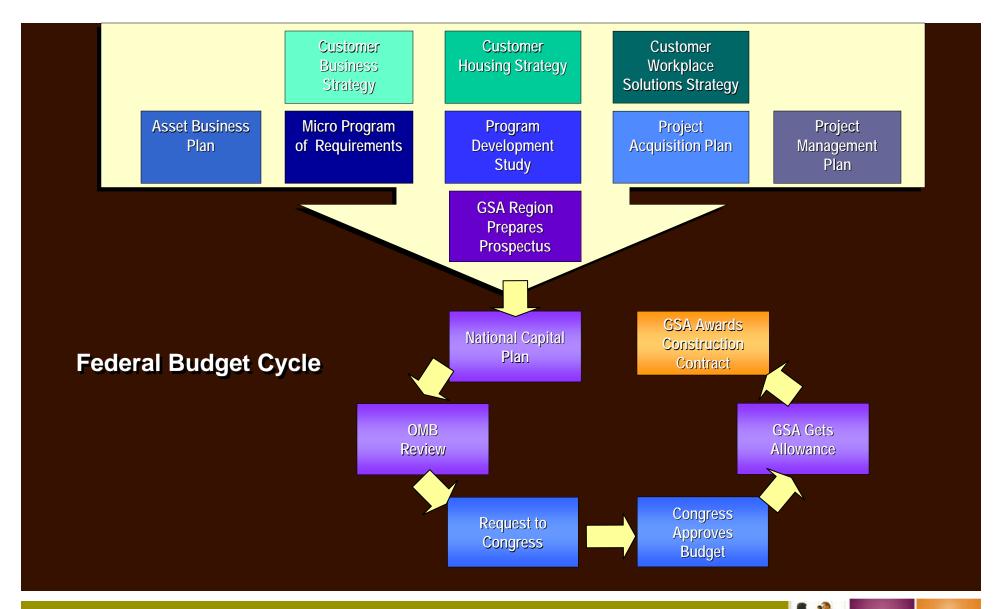


Part II - Prospectus Development & Approval





Part II - Prospectus Development & Approval



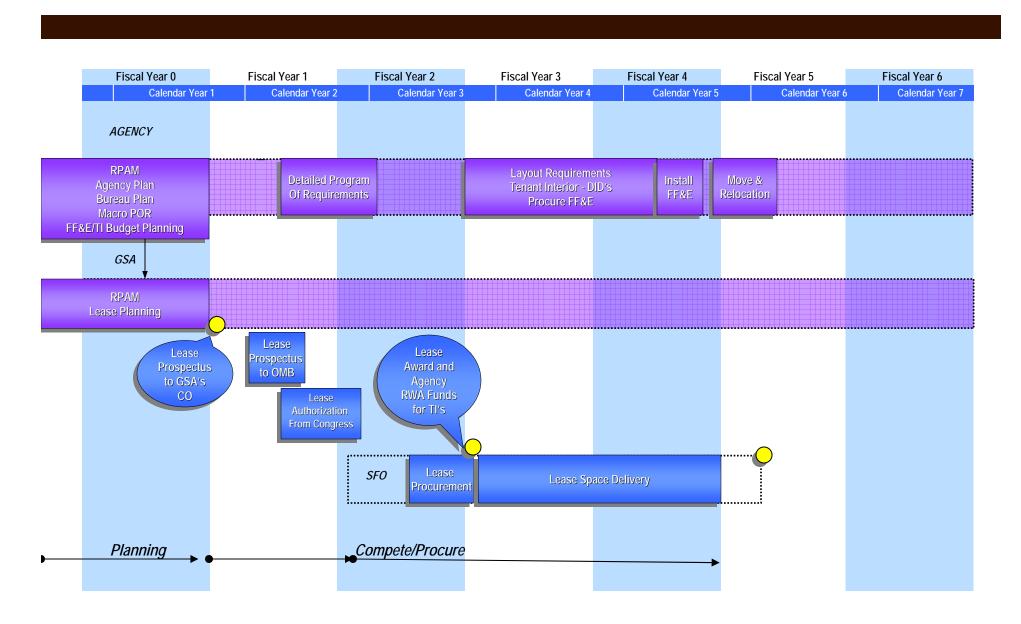


Thank You



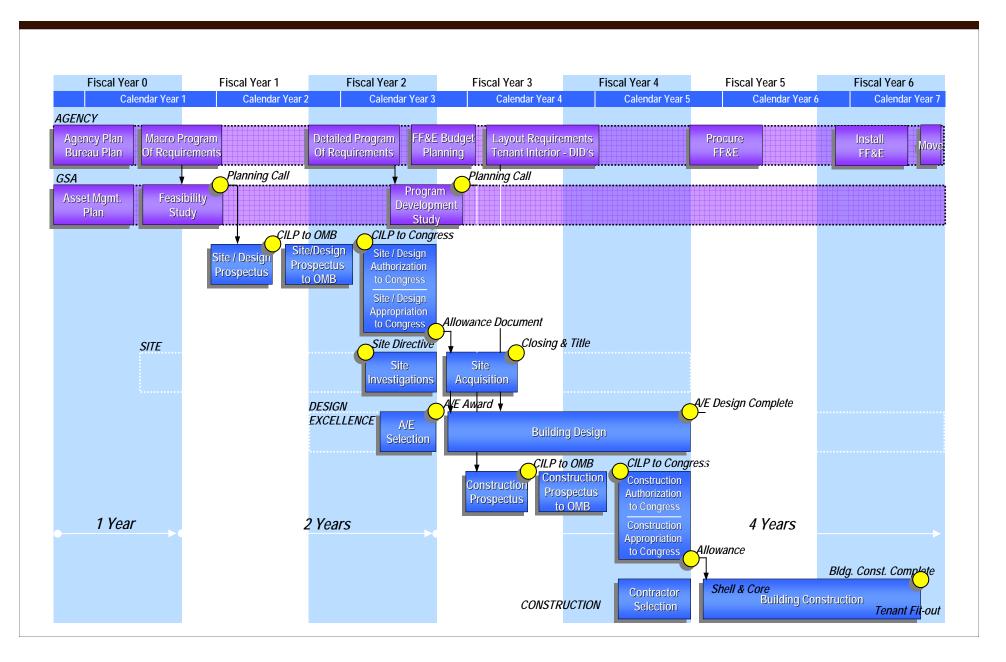


Leased Buildings





Overview of the Planning Process - Owned Buildings





Acquisition Timeline

